



TEXAS DEPARTMENT OF INSURANCE

Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)

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MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name

ORTHOTEXAS PHYSICIANS AND SURGEONS

Respondent Name

OLD REPUBLIC INSURANCE CO

MFDR Tracking Number

M4-20-2947-01

Carrier's Austin Representative

Box Number 44

MFDR Date Received

AUGUST 17, 2020

REQUESTOR'S POSITION SUMMARY

"On this date of service, claim denied stating 'bundled'. CPT 29823 does not bundle since the [redacted]. See the attached documentation that supports the services provided."

Amount in Dispute: \$2,125.00

RESPONDENT'S POSITION SUMMARY

The respondent did not submit a response to this request for medical fee dispute resolution.

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
June 2, 2020	CPT Code 29827	\$0.00	\$0.00
	CPT Code 23430	\$0.00	\$0.00
	CPT Code 29823	\$2,125.00	\$326.78
	CPT Code 29826	\$0.00	\$0.00
TOTAL		\$2,125.00	\$326.78

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation (DWC).

Background

1. 28 Texas Administrative Code (TAC) §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 TAC §134.203, effective March 1, 2008, sets out the reimbursement guidelines for professional services.
3. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
 - B12-Svcs not documented in patient record
 - RT-Right Side
 - 51-Multiple procedure
 - 97-Charge included in another charge or service.
 - W3-Appeal/reconsideration

Issues

Is the requestor due reimbursement for professional surgical services rendered on June 2, 2020?

Findings

1. The Austin carrier representative for Old Republic Insurance Co is White Espey PLLC. White Espey PLLC received a copy of this medical fee dispute on August 25, 2020. Rule §133.307(d)(1) states that if the division does not receive the response within 14 calendar days of the dispute notification, then the division may base its decision on the available information

As of today, no response has been received from the carrier or its representative. We therefore base this decision on the information available as authorized under §133.307(d)(1).

2. The requestor is seeking medical fee dispute resolution in the amount of \$2,125.00 for CPT code 29823 rendered on June 2, 2020.
3. The respondent denied reimbursement for the disputed services based upon codes 97, and B12. (description listed above)
4. To determine if the respondent's denial of payment is supported, the DWC refers to the following statute:
 - 28 TAC §134.203(a)(5) states, "Medicare payment policies' when used in this section, shall mean reimbursement methodologies, models, and values or weights including its coding, billing, and reporting payment policies as set forth in the Centers for Medicare and Medicaid Services (CMS) payment policies specific to Medicare."
 - 28 TAC §134.203(b)(1) states, "For coding, billing, reporting, and reimbursement of professional medical services, Texas workers' compensation system participants shall apply the following:
 - (1) Medicare payment policies, including its coding; billing; correct coding initiatives (CCI) edits; modifiers; bonus payments for health professional shortage areas (HPSAs) and physician scarcity areas (PSAs); and other payment policies in effect on the date a service is provided with any additions or exceptions in the rules."
5. Per Medicare' NCCI 2020 Coding Policy Manual, Chapter 4, Shoulder arthroscopy procedures include limited debridement (e.g., CPT code 29822) even if the limited debridement is performed in a different area of the same shoulder than the other procedure. With three exceptions, shoulder arthroscopy procedures include extensive debridement (e.g., CPT code 29823) even if the extensive debridement is performed in a different area of the same shoulder than the other procedure. CPT codes 29824 (Arthroscopic claviclectomy including distal articular surface), 29827 (Arthroscopic rotator cuff repair), and 29828 (Biceps tenodesis) may be

reported separately with CPT code 29823 if the extensive debridement is performed in a different area of the same shoulder.

The requestor wrote, “[redacted].”

Therefore, per CCI edits, CPT code 29823 is not bundled to any other procedures performed on this date; therefore, the respondent’s denial of payment based upon “97” and “B12” is not supported.

5. Medicare Claims Processing Manual, Chapter 12, section 40.6, titled Claims for Multiple Surgeries, Subsection C, A/B MAC (B) Claims Processing System Requirements, number 13:

If Field 21 contains an indicator of “3,” and multiple endoscopies are billed, the special rules for multiple endoscopic procedures apply. Pay the full value of the highest valued endoscopy, plus the difference between the next highest and the base endoscopy. Access Field 31A of the MFSDB to determine the base endoscopy.

Code	Base	Medicare Participating Amount	Medicare Participating Amount minus base
29827	29805	\$1,058.59	Does not apply because highest valued endoscopy
29823	29805	\$619.66	\$155.79
29805	29805	\$463.87	Does not apply because this is the base code

6. Per 28 Texas Administrative Code §134.203(c)(1)(2), “To determine the MAR for professional services, system participants shall apply the Medicare payment policies with minimal modifications.

(1) For service categories of Evaluation & Management, General Medicine, Physical Medicine and Rehabilitation, Radiology, Pathology, Anesthesia, and Surgery when performed in an office setting, the established conversion factor to be applied is \$52.83. For Surgery when performed in a facility setting, the established conversion factor to be applied is \$66.32.

(2) The conversion factors listed in paragraph (1) of this subsection shall be the conversion factors for calendar year 2008. Subsequent year's conversion factors shall be determined by applying the annual percentage adjustment of the Medicare Economic Index (MEI) to the previous year's conversion factors, and shall be effective January 1st of the new calendar year. The following hypothetical example illustrates this annual adjustment activity if the DWC had been using this MEI annual percentage adjustment: The 2006 DWC conversion factor of \$50.83 (with the exception of surgery) would have been multiplied by the 2007 MEI annual percentage increase of 2.1 percent, resulting in the \$51.90 (with the exception of surgery) DWC conversion factor in 2007.”

To determine the MAR the following formula is used: (DWC Conversion Factor/Medicare Conversion Factor) X Medicare Payment = Maximum Allowable Reimbursement (MAR).

The 2020 DWC Conversion Factor is 75.7

The 2020 Medicare Conversion Factor is 36.0896

Per the CMs 1500, the services were rendered in Carrollton, TX; therefore, the Medicare locality is “Rest of Texas”.

Using the above formula, the DWC finds the following:

Code	Medicare Participating Amount	Multiple Procedure Rule Discounting of 50% Applies	MAR	Insurance Carrier Paid	Amount Due
29823	\$155.79	No	\$326.78	\$0.00	\$326.78

Conclusion

For the reasons stated above, the DWC finds that the requestor has established that reimbursement is due. As a result, the amount ordered is \$326.78.

ORDER

Based on the submitted information, pursuant to Texas Labor Code Section 413.031 and 413.019 (if applicable), the division has determined the requestor is entitled to additional reimbursement for the disputed services. The division hereby ORDERS the respondent to remit to the requestor \$326.78, plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this order.

Authorized Signature

Signature

Medical Fee Dispute Resolution Officer

Date

11/02/2020

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, effective May 31, 2012, 37 Texas Register 3833, **applicable to disputes filed on or after June 1, 2012.**

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the DWC within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the DWC using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the DWC. **Please include a copy of the Medical Fee Dispute Resolution Findings and Decision** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.